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Approved by:

Norval Francis

U.S. Mission to the European Union, Brussels

Prepared by:

Justina Torry

Report Highlights:

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Items approved without debate included: transport of animals, BSE risk, control on movements of ovine and caprine animals, rules of procedure for the EC-Swiss Confederation Joint Veterinary Committee, EC-Andorra Protocol on veterinary matters, seeds, cereals, sweeteners for use in foodstuffs, External Fisheries Policy, TACs and Quotas, removal of fins of sharks on board vessels, and halons, chlorofluorocarbons, and bromochloromethane.

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SUMMARY

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AGRICULTURE

CAP REFORM: A LONG-TERM POLICY PERSPECTIVE FOR SUSTAINABLE AGRICULTURE

After an arduous negotiation, the Council reached political agreement by qualified majority on the reform of the Common Agricultural Policy (CAP), on the basis of a compromise text from the Presidency. The Portuguese delegation was unable to join the agreement. The different legislative drafts will be finalized at a later stage and will be adopted at a future Council meeting.

Key elements of the agreement include, *inter alia*:

1. a single farm payment (SFP) for Union farmers, independent from production (limited coupled elements may be maintained to avoid abandonment of production);
2. linkage of SFP to the respect of environmental, food safety, animal and health and animal welfare standards, as well as the requirements to keep all farmland in good agricultural and environmental condition ("cross-compliance");
3. a strengthened rural development policy with more Union money, new measures to promote the environment, quality and animal welfare and to help farmers to meet Union production standards starting in 2005;
4. a reduction in direct payments ("modulation") for bigger farms to finance the new rural development policy;
5. an agreement on financial discipline to ensure that the farm budget fixed until 2013 is not exceeded;
6. revisions to the market policy of the CAP, such as:
 - asymmetric price cuts in the milk sector (intervention price for butter reduced by 25% over four years and for skimmed milk powder by 15% over three years);
 - reduction of the monthly increments in the cereals sector by half (current intervention price is maintained);
 - reforms in the rice, durum wheat, nuts, starch potatoes and dried fodder sectors;

7. introduction of reforms regarding the so-called Mediterranean products (e.g. olive oil, tobacco, cotton) expected to take place by September 2003, within the existing budgetary framework.

CONTROL OF FOOT-AND-MOUTH DISEASE

The Council reached political agreement on the proposal for a Council Directive on Community measures for the control of foot-and-mouth disease (*doc. 15831/02*), on the basis of an amended proposal, unanimously endorsed by the Commission and by the Member States.

Two issues were addressed at the Council on 8 April 2003 (*doc. 7434/03*):

- 1/ The recognition by third countries of the new approach of the proposal for a Directive, which emphasizes the role of emergency vaccination and the principle of regionalization.
- 2/ The financial consequences, both direct like the use of preventive vaccination on animals, and indirect, like the marketing of products derived from vaccinated animals.

Both of these two above-mentioned issues have been solved, paving the way for a political agreement. The last changes, which include many of the EP's amendments concerning some additional restrictions to the movement and transport of animals and their product in the protection zone and more information to the public on products from vaccinated animals.

This followed presentation by Commissioner BYRNE of the proposal at the Council on 27 January (*doc. 5433/03*).

The proposal aims to lay down harmonized provisions on Community measures:

- to control FMD in the event of an outbreak by setting common provisions for Member States in case of FMD's suspicion and
- to improve the state of preparation of the Member States in case of a possible outbreak of FMD,

by enhancing in particular the role of emergency vaccination.

The new proposal provides more details on the measures to be taken in the event of an outbreak and gives a key role to emergency vaccination in order to avoid massive slaughters of animals in the framework of the disease control measures in certain specific circumstances. In case of suspicion of an outbreak of FMD, several measures are to be taken such as the census of animals of the suspected infected holding by the competent authority, the prohibition of movements onto and off the holding, and the establishment of a community databank for vaccines and antigens. Measures in case of confirmation of an outbreak of FMD include the killing on the spot of animals of susceptible species on the holding, disinfecting procedures and tracing of products derived from or which have been in contact with suspicious animals. Conditions regarding the triggering of emergency vaccination are, among others, based on the potential risk that a FMD outbreak in one area of the EC could spread in another area due to its geographical situation or meteorological conditions.

The share of the Community budget is estimated at 16.176 Euro Million over a ten-year period, split between financial intervention, technical and administrative assistance and human resources.

The Opinion of the European Parliament was given on 15 May 2003. The European Parliament adopted several amendments designed to ensure that emergency vaccination must be a good solution if an outbreak of FMD is suspected or confirmed. It also sought to achieve a shift in emphasis in EU policy to ensure that the social and psychological impact on the public of diseases like the FMD is addressed alongside purely commercial considerations.

Another important amendment adopted proposes that the decision to introduce emergency vaccination could be taken not only at the request of the Commission or of the Member State affected, but also by any neighboring country at risk, provided that close co-operation has been undertaken with the Member State concerned.

FISHERIES

WESTERN WATERS

The Council took note of a progress report concerning the proposal on the management of fishing effort in relating to certain Community fishing areas and resources (*doc. 10405/03*) and amending Regulation (EEC) N° 2847/03. The Council instructed the Committee of Permanent Representatives to carry on with the examination at technical level in order to ensure an adoption of this dossier as soon as possible. This proposal, which was presented to the Council at its session on 16-20 December 2002 (*doc. 15636/02*), would replace former regulations relating to Western Waters.

These Regulations, which ceased to produce legal effects after 31 December 2002, aimed at ensuring there was no increase in the overall fishing effort within areas and stocks, on the basis of the Act of Accession of 1985 for Spain and Portugal. In particular they establish fishing effort limitation fixed by type of fishing and area, and evaluated on the basis of traditional fishing activities, except for the Spanish vessels (40 at any given time since 1996) for an area extending to 50 miles from Ireland's coast, known as the "Irish Box".

The proposal aims in particular at:

- controlling the fishing effort to avoid discrimination among Member States;
- reviewing current ceilings for fishing effort while taking into account the reduction of fishing possibilities during the last seven years;
- controlling fishing capacity for pelagic species and limiting access to waters in ultra-peripheral areas.

Under the advisory procedure (Article 37 of the Treaty), the Opinion of the European Parliament, which is not legally binding was given at its plenary session on 4 June 2003.

OTHER BUSINESS**4TH MINISTERIAL CONFERENCE ON THE PROTECTION OF FORESTS IN EUROPE
(Vienna, 28-30 April 2003)**

The Austrian delegation submitted a written information (10120/03) on the outcome of the Fourth Ministerial Conference on the Protection of forests in Europe, Vienna 28-30 April 2003 (*doc. 10120/03*).

ITEMS APPROVED WITHOUT DEBATE**AGRICULTURE****BSE Risk – Public Deliberation**

The Council adopted a Regulation of the European Parliament and of the Council amending Regulation (EC) N° 999/2001 as regards the extension of the period for transitional measures (*doc. 3617/03*).

Regulation (EC) N° 999/2001 establishes rules for the determination of the Bovine Spongiform Encephalopathy (BSE) status of a Member State, third country or one of their regions. The Regulation provides that prior to the determination of that status, transitional measures are to be adopted for a maximum period of two years. Commission Regulation 1326/2001 laying down transitional measures to permit the changeover to Regulation 999/2001 applies from 1 July 2001. Therefore the transitional measures apply until 30 June 2003.

Certain problems have been encountered in using the criteria laid down in Regulation (EC) N° 999/2001 to determine BSE status, with regard to the need to define new categorization criteria reflecting BSE risk. Scientific risk assessments of all countries have not been fully concluded. The Commission has discussed, with Member States, possible amendments to those criteria in order to produce a better alignment of status and risk. Consequently, Regulation (EC) N° 999/2001 is being extended till 1 July 2005.

BSE Risk – Public Deliberation

The Council adopted, by a qualified majority, with the United Kingdom delegation abstaining, a Regulation amending Regulation (EC) N° 1255/97 as regards the use of staging points (*doc. 9473/03 + 9608/03 ADD1*). The Regulation intends to reinforce the animal health rules (cleansing and disinfection) applicable to staging points following outbreaks of foot and mouth disease in the Community in 2001 linked with the commingling of animals at staging points. Only Animals complying with Community Health requirements may transit by staging points.

Control on movements of ovine and caprine animals

The Council adopted a Directive amending Directive 91/68/EEC as regards reinforcement of controls on movements of ovine and caprine animals (*doc. 9471/03*). This Directive would be implemented by Member States into national legislation before 1 July 2004. With regard to the recent outbreaks of foot and mouth disease in 2001 and the contamination of sheep and goats, controls by Member States of the registration and identification of ovine and caprine animals have been reinforced.

EC-Swiss Confederation – Joint Veterinary Committee – Rules of procedure

The Council adopted a Decision concerning the Community position on the adoption of the Rules of Procedure of the Joint Veterinary Committee set up by the Agreement between the European Community and the Swiss Confederation on trade in agricultural products (*doc. 9108/03*).

EC-Andorra - Protocol on veterinary matters

The Council adopted a draft Decision of the EC-Andorra Joint Committee laying down rules to further implement the Protocol on veterinary matters supplementary to the Agreement in the form of an Exchange of Letters between the European Community and the Andorra, signed in Brussels on 15 May 1997 (*doc. 9480/03*).

Seeds

The Council adopted a Directive amending former Directives on the marketing of different categories of seeds (*docs. 10012/03 + 9915/03 ADD1*). The Directives amended include changes regarding Community comparative tests and trials, which will include in particular tests and trials for seed harvested in third countries, seed suitable for organic farming and seed marketed in relation to the conservation in situ and the sustainable use of plant genetic resources. These comparative tests and trials will be used to harmonize the technical methods of certification. Member States will implement this Directive into national legislation three months after its entry into force.

Cereals

The Council adopted a Decision establishing the Community position to be adopted in the International Grains Council and in the Food Aid Committee (*doc. 10139/03*). The purpose of this Decision is to authorize the Commission on behalf of the Community to vote in favor of the prolongation of the Food Aid Convention, 1999 and the Grains Trade Convention, 1995 for a period of two years.

The Grain Trade Convention 1995 was concluded by the Community by Council Decision 96/88/EC ¹, amended and extended in June 1999 for a two-year period. This Agreement was extended again by decision of the International Grain Council in June 2001 and remains in force until 30 June 2003, unless it is extended beyond that date for a period of no more than two years. The Food Aid Convention 1999 was concluded by the Community by Council Decision 2000/421/EC ² and extended by decision of the Food Aid Committee in December 2002.

The objectives of these Conventions are to promote international co-operation in the field of food aid, and establishing common data and statistics on the Grain markets.

¹ OJ L 21, 27.1.1996, p. 47.

² OJ L163, 4.7.2000, p. 37.

FOODSTUFFS**Sweeteners for use in foodstuffs – Public Deliberation**

The Council adopted its common position with a view to the adoption of a Directive of the European Parliament and of the Council amending Directive 94/35/EC on sweeteners for use in foodstuffs (*docs. 9714/03 + 10422/03 ADD1 REV1*).

FISHERIES**External Fisheries Policy – Fishing in Mauritian waters**

The Council adopted a Decision on the signing, on behalf of the Community, and provisional application of the Agreement in the form of an Exchange of Letters concerning the extension of the Protocol setting out the fishing opportunities and financial contribution provided for in the Agreement between the European Community and the Government of Mauritius on fishing in Mauritian waters for the period 3 December 2002 to 2 December 2003 (*doc. 9381/03*).

The Decision extends fishing opportunities for some Member States (France, Italy, Spain, United Kingdom and Portugal) in Mauritian waters. These fishing opportunities are allocated between different sort of vessels (tuna seiners, surface longliners, vessels fishing by line).

TACs and Quotas

The Council adopted a Regulation amending for the second time EC Regulation n° 2341/2002 fixing for 2003 the fishing opportunities and associated conditions for certain fish stocks and groups of fish stocks, applicable in Community waters and, for Community vessels, in waters where limitations in catch are required (*doc. 9894/03 + 9908/03 ADD1*). Amendments of the Regulation are required following decisions recently reached as a consequence of international Agreements:

The Regulation includes in particular an allocation of quotas between Norway and the European Community on sandeel fished by Norway in Community waters, a transfer of quotas on haddock and plaice for the European Community in the North Sea, new fishing access for the Community on herring in Norwegian waters and new fishing possibilities of capelin for the Community in Greenland waters.

Removal of fins of sharks on board vessels

The Council adopted a Regulation on the removal of fins of sharks on board vessels (*doc. 10255/03 + 10372/03 ADD1*).

The Regulation will apply to the removal of shark fins, retention on board, transshipment and landing of sharks or shark fins by vessels in maritime waters under the sovereignty or the jurisdiction of Member States as well as those flying the flag or registered in Member States in other maritime waters. It aims at restricting or preventing the further development of the practice of shark finning as well as at prohibiting the removal of shark fins on board vessels with a view to having positive effects on shark conservation.

ENVIRONMENT**Halons, chlorofluorocarbons, bromochloromethane – Public Deliberation**

The Council adopted in first reading, following agreement with the European Parliament in the beginning of June 2003, a Regulation on the control of halon exported for critical uses, the export of products and equipment containing chlorofluorocarbons (CFCs) and controls on bromochloromethane. (*doc. 3629/03*)

The Regulation is aimed at further protecting the ozone layer, reducing global production of ozone depleting substances (ODS), promoting safe practices for the transport of ODS, ensuring mandatory monitoring of any exports and providing legal clarification where necessary.

It is aimed in particular at amending Regulation 2037/2000/EC on substances that deplete the ozone layer, namely with regard to the effective and safe implementation of its provisions.

One of the Regulation's major focus is to stop the growing export trade in used refrigeration and air-conditioning equipment (in particular domestic refrigerators, freezers and building insulation foam, containing CFCs) to developing countries. Therefore, the export of controlled substances, or products containing controlled substances, would be prohibited. Off-target products containing CFCs (e.g. second-hand aircraft and vehicles containing rigid insulating foam, or integral skin foam blown with CFCs) are excluded from the scope of the Regulation.

It provides for the possibility of establishing timeframes for reducing the use of halon for critical uses, taking into account the availability of technically and economically feasible alternatives or technologies that are acceptable from the standpoint of environment and health, when reviewing Annex VII (critical uses of halon) of Regulation 2037/2000/EC. This would accelerate the recovery of the ozone layer.

(Information contained in this report was transcribed from the Official Minutes of the 2516th Agriculture and Fisheries Council Meeting of the European Commission)

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